

CHAPTER 200

COMPENSATION FOR PUBLIC EMPLOYEES

H.F. 781

AN ACT relating to the compensation and benefits for public officials and employees, providing for related matters, making appropriations, and including effective and retroactive applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. STATE COURTS — JUSTICES, JUDGES, AND MAGISTRATES.

1. The salary rates specified in subsection 2 are for the fiscal year beginning July 1, 1999, effective for the pay period beginning June 25, 1999, and for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the judicial branch from the salary adjustment fund or if the appropriation is not sufficient, from the funds appropriated to the judicial branch pursuant to any Act of the general assembly.

2. The following annual salary rates shall be paid to the persons holding the judicial positions indicated during the fiscal year beginning July 1, 1999, effective with the pay period beginning June 25, 1999, and for subsequent pay periods.

a. Chief justice of the supreme court:	\$	114,000
.....		
b. Each justice of the supreme court:	\$	109,900
.....		
c. Chief judge of the court of appeals:	\$	109,800
.....		
d. Each associate judge of the court of appeals:	\$	105,700
.....		
e. Each chief judge of a judicial district:	\$	104,800
.....		
f. Each district judge except the chief judge of a judicial district:	\$	100,500
.....		
g. Each district associate judge:	\$	87,600
.....		
h. Each associate juvenile judge:	\$	87,600
.....		
i. Each associate probate judge:	\$	87,600
.....		
j. Each judicial magistrate:	\$	25,400
.....		
k. Each senior judge:	\$	5,800
.....		

Sec. 2. SALARY RATE LIMITS. Persons receiving the salary rates established under section 1 of this Act shall not receive any additional salary adjustments provided by this Act.

Sec. 3. APPOINTED STATE OFFICERS. The governor shall establish a salary for appointed nonelected persons in the executive branch of state government holding a position enumerated in section 4 of this Act within the range provided, by considering, among other items, the experience of the individual in the position, changes in the duties of the position, the incumbent's performance of assigned duties, and subordinates' salaries. However, the attorney general shall establish the salary for the consumer advocate, the chief justice of the supreme court shall establish the salary for the state court administrator, the ethics and campaign disclosure board shall establish the salary of the executive director, and the state

fair board shall establish the salary of the secretary of the state fair board, each within the salary range provided in section 4 of this Act.

The governor, in establishing salaries as provided in section 4 of this Act, shall take into consideration other employee benefits which may be provided for an individual including, but not limited to, housing.

A person whose salary is established pursuant to section 4 of this Act and who is a full-time permanent employee of the state shall not receive any other remuneration from the state or from any other source for the performance of that person's duties unless the additional remuneration is first approved by the governor or authorized by law. However, this provision does not exclude the reimbursement for necessary travel and expenses incurred in the performance of duties or fringe benefits normally provided to employees of the state.

Sec. 4. STATE OFFICERS — SALARY RATES AND RANGES. The following annual salary ranges are effective for the positions specified in this section for the fiscal year beginning July 1, 1999, and for subsequent fiscal years until otherwise provided by the general assembly. The governor or other person designated in section 3 of this Act shall determine the salary to be paid to the person indicated at a rate within the salary ranges indicated from funds appropriated by the general assembly for that purpose.

1. The following are salary ranges 1 through 5 for the fiscal year beginning July 1, 1999, effective with the pay period beginning June 25, 1999:

SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
(1) Range 1	\$ 8,800	\$ 28,200
(2) Range 2	\$ 32,200	\$ 56,800
(3) Range 3	\$ 44,100	\$ 66,200
(4) Range 4	\$ 53,100	\$ 75,700
(5) Range 5	\$ 62,400	\$ 85,200

2. The following are range 1 positions: There are no range 1 positions for the fiscal year beginning July 1, 1999.

3. The following are range 2 positions: administrator of the arts division of the department of cultural affairs, administrators of the division of persons with disabilities, the division on the status of women, the division on the status of African-Americans, the division of deaf services, and the division of Latino affairs of the department of human rights, and administrator of the division of professional licensing and regulation of the department of commerce.

4. The following are range 3 positions: administrator of the division of emergency management of the department of public defense, administrator of the division of criminal and juvenile justice planning of the department of human rights, administrator of the division of community action agencies of the department of human rights, executive director of the commission of veterans affairs, and chairperson and members of the employment appeal board of the department of inspections and appeals.

5. The following are range 4 positions: superintendent of banking, superintendent of credit unions, drug abuse prevention coordinator, administrator of the alcoholic beverages division of the department of commerce, state public defender, and chairperson, vice chairperson, and members of the board of parole.

6. The following are range 5 positions: consumer advocate, labor commissioner, workers' compensation commissioner, administrator of the historical division of the department of cultural affairs, administrator of the public broadcasting division of the department of education, and commandant of the veterans home.

7. The following are salary ranges 6 through 9 for the fiscal year beginning July 1, 1999, effective with the pay period beginning June 25, 1999:

SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
(1) Range 6	\$ 48,200	\$ 75,700
(2) Range 7	\$ 66,000	\$ 85,900
(3) Range 8	\$ 70,800	\$ 99,700
(4) Range 9	\$ 79,000	\$ 118,900

8. The following are range 6 positions: director of the department of human rights, director of the Iowa state civil rights commission, executive director of the college student aid commission, director of the department for the blind, and executive director of the ethics and campaign disclosure board.

9. The following are range 7 positions: director of the department of cultural affairs, director of the department of elder affairs, director of the department of commerce, director of the law enforcement academy, and director of the department of inspections and appeals.

10. The following are range 8 positions: the administrator of the state racing and gaming commission of the department of inspections and appeals, director of the department of general services, director of the department of personnel, commissioner of public safety, commissioner of insurance, executive director of the Iowa finance authority, director of revenue and finance, director of the department of natural resources, director of the department of corrections, and chairperson of the utilities board. The other members of the utilities board shall receive an annual salary within a range of not less than ninety percent but not more than ninety-five percent of the annual salary of the chairperson of the utilities board.

11. The following are range 9 positions: director of the department of education, director of human services, director of the department of economic development, executive director of the state board of regents, director of the state department of transportation, director of the department of workforce development, lottery commissioner, director of public health, the state court administrator, secretary of the state fair board, and the director of the department of management.

Sec. 5. PUBLIC EMPLOYMENT RELATIONS BOARD.

1. The salary rates specified in this section are effective for the fiscal year beginning July 1, 1999, with the pay period beginning June 25, 1999, and for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds appropriated to the public employment relations board from the salary adjustment fund, or if the appropriation is not sufficient from funds appropriated to the public employment relations board pursuant to any other Act of the general assembly.

2. The following annual salary rates shall be paid to the persons holding the positions indicated:

a. Chairperson of the public employment relations board:	\$	66,700
.....		
b. Two members of the public employment relations board:	\$	62,100
.....		

Sec. 6. COLLECTIVE BARGAINING AGREEMENTS FUNDED — GENERAL FUND. There is appropriated from the general fund of the state to the salary adjustment fund for distribution by the department of management to the various state departments, boards, commissions, councils, and agencies, including the state board of regents, for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the amount of \$52,800,000, or so much thereof as may be necessary, to fully fund the following annual pay adjustments, expense reimbursements, and related benefits:

1. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.
2. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the public safety bargaining unit.
3. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit.
4. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the technical bargaining unit.
5. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit.

6. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the university of northern Iowa faculty bargaining unit.

7. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the clerical bargaining unit.

8. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional social services bargaining unit.

9. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the community-based corrections bargaining unit.

10. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the judicial branch of government bargaining unit.

11. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the patient care bargaining unit.

12. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the science bargaining unit.

13. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa graduate student bargaining unit.

14. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa hospital and clinics tertiary health care bargaining unit.

15. The annual pay adjustments, related benefits, and expense reimbursements referred to in sections 7 and 8 of this Act for employees not covered by a collective bargaining agreement.

Sec. 7. NONCONTRACT STATE EMPLOYEES — GENERAL.

1. a. For the fiscal year beginning July 1, 1999, the maximum salary levels of all pay plans provided for in section 19A.9, subsection 2, as they exist for the fiscal year ending June 30, 1999, shall be increased by 3 percent for the pay period beginning June 25, 1999.

b. In addition to the increases specified in this subsection, for the fiscal year beginning July 1, 1999, employees may receive a step increase or the equivalent of a step increase.

2. The pay plans for state employees who are exempt from chapter 19A and who are included in the department of revenue and finance's centralized payroll system shall be increased in the same manner as provided in subsection 1.

3. This section does not apply to members of the general assembly, board members, commission members, salaries of persons set by the general assembly pursuant to this Act, or set by the governor, employees designated under section 19A.3, subsection 5, and employees covered by 581 IAC 4.6(3).

4. The pay plans for the bargaining eligible employees of the state shall be increased in the same manner as provided in subsection 1. As used in this section, "bargaining eligible employee" means an employee who is eligible to organize under chapter 20, but has not done so.

5. The policies for implementation of this section shall be approved by the governor.

Sec. 8. STATE EMPLOYEES — STATE BOARD OF REGENTS. Funds from the appropriation in section 6 of this Act shall be allocated to the state board of regents for the purposes of providing increases for state board of regents employees covered by section 6 of this Act and for employees not covered by a collective bargaining agreement as follows:

1. For regents merit system employees and merit supervisory employees to fund for the fiscal year, increases comparable to those provided for similar contract-covered employees in this Act.

2. For faculty members and professional and scientific employees to fund for the fiscal year, percentage increases comparable to those provided for contract-covered employees in section 6, subsection 6, of this Act.

Sec. 9. APPROPRIATIONS FROM ROAD FUNDS.

1. There is appropriated from the road use tax fund to the salary adjustment fund for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:

..... \$ 987,954

2. There is appropriated from the primary road fund to the salary adjustment fund, for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly:

..... \$ 5,632,153

3. Except as otherwise provided in this Act, the amounts appropriated in subsections 1 and 2 shall be used to fund the annual pay adjustments, expense reimbursements, and related benefits for public employees as provided in this Act.

Sec. 10. SPECIAL FUNDS — AUTHORIZATION. To departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental expenditure authorization is provided, unless otherwise provided, in an amount necessary to fund salary adjustments as otherwise provided in this Act.

Sec. 11. GENERAL FUND SALARY MONEYS. Funds appropriated from the general fund of the state in this Act relate only to salaries supported from general fund appropriations of the state except for employees of the state board of regents. The funds appropriated from the general fund of the state for employees of the state board of regents shall exclude general university indirect costs and general university federal funds.

Sec. 12. FEDERAL FUNDS APPROPRIATED. All federal grants to and the federal receipts of the agencies affected by this Act which are received and may be expended for purposes of this Act are appropriated for those purposes and as set forth in the federal grants or receipts.

Sec. 13. USE OF SURPLUS HEALTH INSURANCE FUNDS. The executive council shall transfer an amount, as determined by the department of management, from the health insurance surplus account to the health insurance premium operating account for the fiscal year beginning July 1, 1999, to reduce insurance premiums. Any amount remaining in the health insurance premium operating account at the end of the fiscal year beginning July 1, 1999, shall be transferred to the health insurance surplus account.

Sec. 14. STATE TROOPER MEAL ALLOWANCE. The sworn peace officers in the department of public safety who are not covered by a collective bargaining agreement negotiated pursuant to chapter 20, shall receive the same per diem meal allowance as the sworn peace officers in the department of public safety who are covered by a collective bargaining agreement negotiated pursuant to chapter 20.

Sec. 15. SALARY MODEL ADMINISTRATOR/COORDINATOR. Of the funds appropriated by section 6 of this Act, \$133,800 for the fiscal year beginning July 1, 1999, is allocated to the department of management for salary and support of the salary model administrator/coordinator who shall work in conjunction with the legislative fiscal bureau to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

Sec. 16. Section 7H.1, Code 1999, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the fiscal year beginning July 1, 1999, commencing with the first pay period which ends during the new fiscal year in July, the annual

salaries of the attorney general, auditor of state, secretary of agriculture, and treasurer of state shall be increased by three percent over their annual salaries existing for the preceding fiscal year. The annual salaries determined for the elected state officials as provided in this paragraph for the fiscal year beginning July 1, 1999, shall remain in effect for subsequent fiscal years until otherwise provided by the general assembly.

Sec. 17. Section 19A.8, Code 1999, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The director shall render monthly a statement to each state department or agency for a pro rata share of the cost of administration of the state employee flexible spending accounts. The expense shall be paid by the state department or agency in the same manner as other expenses of that state department or agency are paid and all moneys received for administration costs shall be deposited in the appropriate fund.

Sec. 18. **NEW SECTION.** 19A.35 STATE EMPLOYEE HEALTH FLEXIBLE SPENDING ACCOUNT TRUST FUND.

1. The director shall establish for state employees a health flexible spending account plan which offers multiple benefits to state employees. The state's health flexible spending account plan shall be established to meet the conditions of section 125 of the Internal Revenue Code of 1986.

2. There is created in the state treasury a special trust fund known as the Iowa state employee health flexible spending account trust fund. The trust fund consists of all moneys appropriated to the fund and any other assets directed to be held in trust for the exclusive benefit of participants in the state's health flexible spending account plan. Notwithstanding section 12C.7, interest and earnings from moneys in the trust fund shall be credited to the trust fund and shall be used exclusively for the benefit of plan participants.

3. The director shall serve as trustee of the trust fund and has the authority to direct expenditures as deemed appropriate to the exclusive benefit of the plan participants.

Sec. 19. Section 432.13, Code 1999, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Premiums received for benefits acquired by the department of personnel on behalf of state employees pursuant to section 19A.1, subsection 2, are exempt from premium tax.

Sec. 20. Section 509A.1, Code 1999, is amended to read as follows:
509A.1 AUTHORITY OF GOVERNING BODY.

The governing body of the state, school district, or any institution supported in whole or in part by public funds may establish plans for and procure group insurance, ~~or~~ health or medical service, or health flexible spending accounts as described in section 125 of the Internal Revenue Code of 1986 for the employees of the state, school district, or tax-supported institution.

Sec. 21. Section 509A.13A, subsection 1, paragraph b, subparagraph (3), Code 1999, is amended to read as follows:

(3) The eligible retired state employee has received retirement benefits under the retirement system established in chapter 602, article 9, ~~based upon either of the following:~~

~~(a) Meeting the requirements for receiving an annuity which equals fifty percent of the basic annual salary which the judge was receiving at the time that the judge became separated from service, if the judge did not participate in the senior judge program.~~

~~(b) Meeting the requirements for receiving an annuity which equals or exceeds fifty percent of the basic annual salary which the judge was receiving at the time that the judge separated from service prior to serving as a senior judge.~~

Sec. 22. Section 602.9204, subsection 1, Code 1999, is amended to read as follows:

1. A judge who retires on or after July 1, 1994, and who is appointed a senior judge under section 602.9203 shall be paid a salary as determined by the general assembly. A senior judge or retired senior judge shall be paid an annuity under the judicial retirement system in the manner provided in section 602.9109, but computed under this section in lieu of section 602.9107, as follows: The annuity paid to a senior judge or retired senior judge shall be an amount equal to three percent of the basic senior judge salary, multiplied by the judge's years of service prior to retirement as a judge of one or more of the courts included under this article, for which contributions were made to the system, except the annuity of the senior judge or retired senior judge shall not exceed fifty percent of the basic senior judge salary used in calculating the annuity. However, following the twelve-month period during which the senior judge or retired senior judge attains seventy-eight years of age, the annuity paid to the person shall be an amount equal to three percent of the basic senior judge salary cap, multiplied by the judge's years of service prior to retirement as a judge of one or more of the courts included under this article, for which contributions were made to the system, except that the annuity shall not exceed fifty percent of the basic senior judge salary cap. A senior judge or retired senior judge shall not receive benefits calculated using a basic senior judge salary established after the twelve-month period in which the senior judge or retired senior judge attains seventy-eight years of age. ~~In addition, if a senior judge is under sixty five years of age at the time the judge becomes a senior judge, the state shall pay the state's share of the senior judge's medical insurance premium until the judge attains age sixty five. The state shall provide, regardless of age, to an active senior judge or a senior judge with six years of service as a senior judge and to the judge's spouse, and pay for medical insurance until the judge attains the age of seventy-eight years.~~

Sec. 23. EFFECTIVE DATE. Section 19 of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 1999.

Approved May 17, 1999

CHAPTER 201

APPROPRIATIONS — HEALTH AND HUMAN RIGHTS

H.F. 737

AN ACT relating to and making appropriations to the department for the blind, the Iowa state civil rights commission, the department of elder affairs, the Iowa department of public health, the department of human rights, the governor's alliance on substance abuse, and the commission of veterans affairs, and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. DEPARTMENT FOR THE BLIND. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,736,308
.....	FTEs	103.50